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# P W (1950) Department.

MS SERIES.

Copy of

G.O. NO. 695

Dated 22-2-50

(original for Andhra State)

[Despatch Abstract.] Copies for members.

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GOVERNMENT OF MADRAS.
Public Works Department.

Fort St.George,
Madras, 22nd Feb.1950

P.W. [illegible] No. 93/B Date 8/12/50

D.O.No.7534-SI/48-16

My dear Thirumale Iyengar,

Sub:- R.Krishnaswamy, Superintendent, Office of the Chief Engineer, Tungabhadra Project - Charges for loss of Government money.

Ref:-Your letter No.1806/48-G-7 dated 1/4th October, 1949.

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In your letter quoted, you have submited to Government copies of the charges framed against Sri R. Krishnaswamy, his replies to them, your findings and recommendations.

The Government have carefully examined the question and consider that this is a genuine case of theft and that the only charge which can be held proved against Sri R. Krishnaswamy is that he had not insisted on a peon accompanying him to the Bank. In view of the fact that Sri R. Krishnaswamy as a good record of service of 29 years and had been commended for neat execution of enaashment work both by the Special Chief Engineer and the Deputy Chief Engineer, the Government consider that the punishment in this case need only be a corrective to him for his foolishness and that it should not be of a magnitude which would cripple him financially for the rest of his life. They, therefore consider that an amount of Rs.5/- may be recovered from his pay bill every month till he attains the age of superannuation and enters on his pension and that this would be adequate corrective on him and others. The order to be passed by you may specify the amount to be recovered from Sri Krishnaswamy and that it would be recovered in monthly instalments of Rs.5/- each.

I am to request you to issue orders accordingly and submit formal proposals for writing off the amount of loss to Government taking into account the amount which may be recovered from Krishnaswamy.

I am glad to request you to amend the Office Order No.4/47 dated 3rd December, 1947 to convey correctly the procedure laid down in G.O.Ms.No.246, Finance dated 17th March 1948.

Yours sincerely,

(M.Gopal Menon),
Deputy Secretary to Government

Sri M.S. Thirumale Iyengar, B.E., I.S.E.,
Chief Engineer, Tungabhadra Project, Chepauk, Madras.

(True copy)

J.29-6.

P.W.D.

Sub:- Establishment- Office of the Chief Engineer, Tungabhadra Project - Recovery from Sri R. Krishnaswamy Iyer, Superintendent - Papers recorded.

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The case relates to the loss through theft at the Reserve Bank on 2-11-1948 of Government money amounting to Rs.5526-8-0 representing almost the entire pay of the non-gazetted establishments of the then Special C.E's Office (now C.E., T.B.Project) for October, 1948. Both the Chief Engineer and his Deputy C.E. were then in New Delhi in connection with a Conference on Tungabhadra and Ramapadasagar Projects. Immediately on hearing the report of the loss, the Government ordered the C.E(General) to conduct a preliminary enquiry in the matter, which was done. The enquiry was followed up and completed by the Special C.E. (Sri N. Govindaraja Iyengar) on his return from New Delhi on 5-11-1948. The matter was duly reported to the police who have now informed the C.E. Tungabhadra Project as follows:

"Thorough enquiries were made in this case but it coul not be detected. Nor was there any suspicion against the Superintendent Sri R. Krishnaswamy Iyer". The C.E. has framed charges against the Superintendent, for the loss of Government money attributing to him disobedience of the C.E's Office order in the matter of encashment of cheques from the bank. The C.E. has obtained the explanation of th Superintendent, and has forwarded it to the Government with his comments thereon and has recommended reversion of the Superintendent to his permanent post viz. U.D.C. and stoppage of further increments until his retirement in November, 1952. He has also recommended write off of the loss of Rs.5526-8-0. The C.E. has proposed to issue orders punishing the Superintendent, as indicated above on his recommendations being accepted by Government.

2.The following is the brief summary of the ~~incide~~ incident leading to the theft of the amount at the Reserve Bank:-

On 2-11-1948 Sri R. Krishnaswamy Iyer, the Superintendent, went to the Special C.E's Office at 8 A.M. having been deputed alread to attend to the work of encashment of cheques that day. Besides the work of encashing the cheque for the non-gazetted establishments salary, the Superintendent, was also entrusted with the work of encashing two cheques amounting to Rs.674-8-0 being the pay of two A.Es. of the Special C.E's office and remittance of a sum of Rs. 13-8-0 into the Reserve Bank on behalf of the Special C.E. The Superintendent prepared the required authorisatio letters and directed the peon deputed for the purpose to take them along with the cheques to the Officers' residence for signature and bring them back to his (Superintendent's residence). This, the peon did, returning to the Superintendent's house by 9-30 or so. The peon having complained that he had not taken his meals from the morning the Superintendent, replied "go inform Manager and come after meals". The peon informed the Manager at his residence, which was near that of the Superintendent's house and went for his m als. In the meanwhile the Superintendent started for the bank straight from his residence at 10 reaching the bank at 10-30 A.M. At 11-50 the Superintendent got the cheques cashed in the absence of the peon. After getting the cash the Superintendent went to the change counter and sitting in front of a wall nearby was picking out soiled one rupee notes for getting change Just then somebody pointed out that he had left some change under his legs He turned to the left for a second to pick out the change and when he turned again a second or two later to the front, the dungree cloth containing the whole money excepting one rupee bundle amounting to Rs.320-13-0 had disappeared. He raised an alarm, ran downstairs shouti and reported the matter to the gate peon and the Cashier who in turn directed him to report to the Police which was done almost immediately.

3.The procedure to be followed in the matter of encashment of cheques is laid down in G.O.246 Finance

dated 18-3-48. According to the instructions contained there in two clerks having substantive posts in Government service with 10 years experience should be sent to the bank when the amount exceeds Rs.5,000/- In the above G.O a warning was given to the Heads of Departments that if any loss occurred through failure to observe these instructions the officer or officers responsible for the failure will be held personally liable to make goo the loss to the Government.

The Office Order issued by the C.E. as a result of Fin. +Department G.O. mentioned above required the deputation of only one clerk (permanent service of 10 years) and one peon (permanent service not specified) when the amount exceeded Rs.5,000/-

4.Based on his office order mentioned above the C.E. framed charges against Sri R. Krishnaswamy Iyer that

(i) he has failed to take a peon with him to the bank

(ii) that he has failed to take a peon with him even on previous occasions;

(iii) that his carelessness in the bank has resulted in the loss of Government money.

For an examination of the explanation furnished by the Superintendent and the Comments of the C.E. thereon please see pp.15-18 ante.

The C.E. has arrived at the conclusion that the charges have been proved against the Superintendent and has recommended reversion of the Superintendent to his perma ent post viz. U.D.C. stopping increments until his retirement.

5.Secretary has stated that this is a genuine case of theft, that there is no suspicion of fraud against any officer of the Government that the blame for the loss of money cannot be laid on the slightly defective office order of the Special C.E's Office and that the present loss could not also be attributed to the deviation from the G.O. in the matter He has suggested that the C.E. might be directed to revise the office order suitably if necessary.

Secretary has also observed that there cannot be much doubt about the responsiblity of Sri Krishnaswamy, the office order having been drafted by himself that it was his responsibility to have waited in the bank till the arrival of the peon before taking delivery of the money, and that if he had taken the office order seriously he should have courted the the risk of some delay. He also observed that it is not unlikely that Sri Krishnaswamy had been by habit going to the bank alone.

However in view of the fact that the Superintendent has a good record of service of 29 y ars and had been commended for neat execution in this kind of work and in view of the fact that he ha no motive in the matter, Secret-ry has suggested that the Superintendent should be punished only for his foolishness and not for any depravity, that his fault if any was that the thief had been cleverer than himself and succ essfully played a ruse on him, that the State must own a certain amount of responsibility for leaving pu lic places of this kind so vulnerable to the operations of adept pick-pockets, and that no weight could be attached to the charge that he had not kept the bundle of notes secure in his lap. In conclusion Secretary has remarked that the only charge which can be held proved against Sri Krishnaswamy is that he ha not insisted on a peon accompanying him. Secreta has also observed that the punishment should only be a correctiv to tothers as Sri Krishnaswamy has already undergone an adequate measure of mental suspense and agony, and has suggested as follows:-

"The punishment suggested by the C.E. is too severe n an unfortunate man. At worst an amount equal to the difference between his pay for the month and the subsistence allowance for the month, may be recovered from him in easy instalments say over a period of twelve months, and he may be restored to grace. The loss to the Government may be written off."

6.Finance considerxxx that the punishment proposed by this Department is far below the mark, and advise recovery of 20% of the amount lost (Rs.1145-5-0 ) from Sri R. K Krishnaswamy in suitable monthly instalments, spr ad over till November 1952 when he is due to retire. That Department also consider that Sri Krishnaswamy need not in addition be subjected to stoppage of increment/promotion or and suggested circulation of the case to H.M.(Finance) Public agree with Finance.

7.The points for consideration are:-

(i)(a) whether as suggested by Secretary, the C.E. may be told that the only charge which can be held proved against Sri R. Krishnaswamy is that he had not insisted on a peon accompanying him to the Bank that an amount equal to the difference between his pay for the month and the subsistance allowance for the month should be recovered from him in easy instalments - spread over a period of twelve months;

or

(b) whether the C.E. should be asked to recover a sum of Rs.1.145-5-0 from Sri Krishnaswamy in suitable instalments as proposed by Finance and Public; and

(ii) whether the loss to Government, taking into account the recovery under items (i)(a) or (b) above may be written off.

8.The case may be circulated to H.M.(P.W), H.M.(Fin) and H.Pr.

Please see the summarising note from p.32 ante.

The proposals in item (i)(a) and item (ii) in para.7 above may be approved

V.M.V/28-1-50.

M.G.M/31-1-50.

I had gone through the records of this case with same care and summarised my conclusions in the typed notes on 25-27 ante which may be read.

Perhaps the punishment I had suggested therein was a bit leniant and may be enhanced, but I do not think

p.t.o.

this is a case when one should endeavour to collect a portion of the loss from the unfortunate clerk. It was his misfortune and Government's misfortune that clever ~~clerks~~ crooks were operating in public pay Offices. He should be punished only for the foolishness and that should not be of a magnitude which would cripple him financially for the rest of his life. After all, he has served the Government for long years and had been commended for good work in cashing bills.

I suggest that an amount of Rs.5 be recovered from his pay bill every month till he retires from Service and enters on his pension. That would be adequate corrective on him and on others. It may be that we do not recover much he is due to retire on November, 1952. The loss sustained by the Govérnment may be written off.

T.A.V/1-2-50.

H.M(P.W)
I agree
M B/2-2.

H.M.(Fin):

B.G.R/3-2.

H.C.M
P.S.K/3-2-50.

A.S:

draft D.O. is submitted as ordered by A.S. Finance and Public (Services) may see before issue.

V.M.V/10-2-50
M.G:M/10-2-50.

(True extract)